

# Executive fees

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# What is a fee?

32 VSA 603:

(2) "Fee":

(A) Means a monetary charge by an agency or the Judiciary for a service or product provided to, or the regulation of, specified classes of individuals or entities.

## State Revenue Sources for Fiscal Year 2015



State Revenue  
\$3,607.3 Million

# 32 VSA 605: Annual process

- (a) The Governor shall, no later than the third Tuesday of every annual legislative session, submit a consolidated Executive Branch fee report and request to the General Assembly, which shall accompany the Governor's annual budget report and request submitted to the General Assembly as required by section 306 of this title, except that the first fee report shall be submitted by October 1, 1996 to the House Committee on Ways and Means, the Senate Committee on Finance, and the House and Senate Committees on Government Operations. The first fee request shall be submitted during the 1997 session as provided herein. The content of each annual report and request for fees concerning State agency public records maintained pursuant to 1 V.S.A. chapter 5, subchapter 3 shall be prepared by the Secretary of State, who shall base all recommended fee amounts on "actual cost." The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this section.

# Why?

32 VSA 601

It is the purpose of this subchapter to establish a uniform policy on the creation and review of Executive and Judicial Branch fees, and to require that any such fee be created solely by the General Assembly

# 32 VSA 605: Rotating areas

- (b) Fee reports shall be made as follows:
- (1) A report covering all fees in existence on the prior July 1 within the areas of government identified by the Department of Finance and Management accounting system as “general government,” “labor,” “general education,” “commerce and community development,” and “transportation” shall be submitted by the third Tuesday of the legislative session beginning in 2011 and every three years thereafter.
- **(2) A report covering all fees in existence on the prior July 1 within the “human services” and “natural resources” areas of government shall be submitted by the third Tuesday of the legislative session of 2012 and every three years thereafter.**
- (3) A report covering all fees in existence on the prior July 1 within the “protection to persons and property” area of government shall be submitted by the third Tuesday of the legislative session of 2013 and every three years thereafter.

# Fee Report

- (c) A fee report shall contain for each fee in existence on the preceding July 1:
  - (1) its statutory authorization and termination date if any;
  - (2) its current rate or amount and the date this was last set or adjusted by the General Assembly or by the Joint Fiscal Committee;
  - (3) the fund into which its revenues are deposited;
  - (4) the revenues derived from it in each of the two previous fiscal years; and
  - (5) whether the Governor recommends the fee be altered, reauthorized, or terminated.

# Fee Request

- (d) A fee request shall contain any proposal to:
  - (1) Create a new fee, or change, reauthorize, or terminate an existing fee, which shall include a description of the services or product provided, or the regulatory function performed.
  - (2) Set a new or adjust an existing fee rate or amount. Each new or adjusted fee rate shall be accompanied by information justifying the rate, which may include:
    - (A) the relationship between the revenue to be raised by the fee or change in the fee and the cost or change in the cost of the service, product, or regulatory function supported by the fee, with costs construed pursuant to subdivision 603(2) of this title;
    - (B) the inflationary pressures that have arisen since the fee was last set;
    - (C) the effect on budgetary adequacy if the fee is not increased;
    - (D) the existence of comparable fees in other jurisdictions;
    - (E) policies that might affect the acceptance or the viability of the fee amount; and
    - (F) other considerations.